

Under the recently enacted health reform law, seniors who fall in the coverage gap—a hole in coverage where seniors are forced to pay full price for prescription drugs—will receive this one-time tax-free \$250 rebate check. Checks will continue to be mailed monthly as seniors enter the coverage gap.

Beginning January 2011, seniors who fall into the coverage gap will receive a 50 percent discount on brand name drugs. By 2020, the coverage gap will be completely eliminated.

"When Democrats wrote the health insurance reform legislation, they kept the needs of seniors forefront in their minds," said Rep. Farr. "We know that many seniors fall into the Medicare coverage gap, so that was one of the first problems we tackled. These checks are the first step toward eliminating that coverage gap."

Medicare recipients don't have to do anything to get the \$250 check. Once their drug costs for the year hit \$2,830, the one-time check will be issued automatically.

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